## REMARKS/ARGUMENTS

Reconsideration of this application in light of the above amendments and following comments is courteously solicited.

Initially the undersigned would like to thank Examiners
Labaze and Frech for the courtesies extended during an oral
hearing held with the undersigned on October 12, 2004. During
the above noted oral hearing, the outstanding official action
was discussed in detail and agreement was reached between the
examiners and the undersigned as to claims which would
distinguish in a patentable manner over the previous cited and
applied prior art references.

Applicants submit herewith new claims 12-18 and amended claim 10 for the examiner's consideration. As discussed at the above noted oral hearing, as reflected in the examiner's Interview Summary Record, newly presented independent claim 12 distinguishes over the cited and applied prior art of record. Independent claim 12 defines a valuable paper comprising on at least one surface of the paper a characteristic pattern which is detectable by a sensor means of a validator to discriminate the valuable paper inserted into the validator wherein the sensor means of the validator also detects at least a distinctive portion of a bill to discriminate authenticity of the bill inserted into the validator. Thus, in accordance with

independent claim 12, the sensor means is able to accept both the valuable paper and the bill upon sensing of the distinctive portion of the bill and the characteristic pattern on the valuable paper. The foregoing is not at all taught or suggested by the cited and applied prior art references. In light of the foregoing, and the agreement reached at the above noted oral hearing, it is submitted that independent claim 12 and the claims which depend therefrom patentably define over the art of record and an early indication of same is respectfully requested.

An earnest and thorough attempt has been made by the undersigned to resolve the outstanding issues in this case and place same in condition for allowance. If the Examiner has any questions or feels that a telephone or personal interview would be helpful in resolving any outstanding issues which remain in this application after consideration of this amendment, the Examiner is courteously invited to telephone the undersigned and the same would be gratefully appreciated.

It is submitted that the claims as amended herein patentably define over the art relied on by the Examiner and early allowance of same is courteously solicited.

Appln. No. 09/890,924 Amdt. dated October 13, 2004 Reply to Office action of June 30, 2004

If any fees are required in connection with this case, it is respectfully requested that they be charged to Deposit Account No. 02-0184.

Respectfully submitted,

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Date: October 13, 2004

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to: "Commissioner for Patents, P. Dox 1450, Alexandria, VA 22313" on October 13, 2004.

Ву

Rachel Piscitelli